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Submitted by: Henry N. Talmage, Executive Director, Connecticut Farm Bureau Association, a statewide nonprofit membership organization representing 4,000 families dedicated to farming and the future of Connecticut agriculture.

Senator Kennedy, Senator Miner, Representative Demicco and members of the Environment Committee,

The Connecticut Farm Bureau is pleased to submit testimony on the following Bills.

In support of House Joint Resolution No. 99 RESOLUTION PROPOSING AN AMENDMENT TO THE STATE CONSTITUTION TO PROTECT THE FUNDING OF PROGRAMS THROUGH THE COMMUNITY INVESTMENT ACCOUNT.

The Connecticut Farm Bureau supports House Resolution No. 99 which proposes a Constitutional Amendment to protect the funding of programs funded through the Community Investment Act. A significant portion of the Department of Agriculture programs are funded through the Community Investment Act (CIA) which was formed in 2005 to provide dedicated funds to support worthwhile community-level investments across four sectors: Farmland Preservation/Agriculture, Open Space Conservation, Affordable Housing, and Historic Preservation. The CIA is funded through a \$40 surcharge on recording fees, which are distributed across those four sectors. This innovative and extremely efficient and effective program was always envisioned outside of the general operating budget of the state. The recording fees are generated as a result of real estate transactions and each of the four sectors are largely impacted by that activity. As a result the amount of funds available are tied to the need as triggered by corresponding real estate activity. The Community Investment Act has funded projects in every single town in Connecticut.

The Department of Agriculture programs currently funded through CIA are:

- **Agricultural Sustainability Program (Dairy Support Program)** - This model program provides a safety net for dairy farmers that experience wild price fluctuations. It allows the Commissioner of Agriculture to make payments out of the dedicated CIA funds when the federal milk price falls below a minimum monthly cost of production. Because milk prices are extremely volatile this program helped smooth out the valleys of low pricing and kept farms in business that would have been lost forever.
- **Farmland Preservation Program** - The Community Investment Act funding supports several staff positions with the CT Farmland Preservation Program. CIA funds are also used to expedite transactions by providing a source of money to conduct appraisals and surveys as well as other transaction expenses. Without CIA funds it is unclear what will happen with the existing staff and the ability to utilize dedicated state bond funds and other federal matching funds for farmland preservation.
- **Farm Reinvestment Grant Program** – Provides matching funds for the construction of new farm buildings or greenhouses or the refurbishment of existing structures for the purpose of diversification.

- **Farm Transition Grant Program** – Provides matching funds for farmers making investments in equipment and systems that are necessary to improve their operations.
- **Farm Viability Grant Program** – Provides matching funds to municipalities and non-profits to provide training and develop programs to advance agriculture.
- **CT Grown Program** - Provides producers and retailers with marketing and promotion ads and materials that showcase the CT Grown brand.
- **Farm Link** – Works to link farmland seekers including new and beginning farmers with those have farmland for lease or sale.
- **Food Policy Council** – Works to promote the development of state food policy and promote the coordination state agencies with regard to food policy.
- **Seafood Advisory Council** – Works to promote the commercial seafood industry in the state.
- **Wine Development Council** – Works to promote CT farm wineries and vineyards and the sale of locally produced CT farm wines.

Over the past several years dedicated funds generated by the Community Investment Act recording fees have been diverted by half to the General Fund and some balances swept to the General Fund. This has resulted in less resources to each of the CIA sectors and therefore less positive impacts. HJ Resolution No. 99 would protect the Community Investment Account from sweeps and diversions of each of the four sectors and because so many important agricultural programs are fund through CIA, the impact to CT farmers will be particularly positive.

In support of Senate Bill No. 522 AN ACT AUTHORIZING BEAR HUNTING IN CONNECTICUT and House Bill No. 5499 AN ACT AUTHORIZING SUNDAY HUNTING OFN PRIVATE LANDS.

The Connecticut Farm Bureau supports both of the these bills. Because of crop loss and other agricultural damage caused by wildlife our policy supports DEEP management of black bear population and allowing for hunting of black bear. In addition CT Farm Bureau supports Sunday hunting on private land including the removal of the current restriction limiting hunting to just bow and arrow.

In support of Senate Bill No. 603 AN ACT CONCERNING THE STATE’S INDUSTRIAL HEMP INDUSTRY.

The Connecticut Farm Bureau has policy supporting the legalization, lawful research, cultivation, production and processing of industrial hemp as an agricultural crop. Last year, the General Assembly passed PA15-202 which legalized industrial hemp in Connecticut. SB No. 603 provides the logical next step by requiring the Commissioner of Agriculture to adopt regulations to establish a pilot program for the purpose of studying the growth, cultivation and marketing potential of industrial hemp in Connecticut.

In support of Senate Bill No. 943 AN ACT CONCERNING THE INSTALLATION OF CERTAIN SOLAR FACILITIES ON PRODUCTIVE FARMLANDS.

The Connecticut Farm Bureau wants to emphasize that this is a complicated issue. On one hand the Connecticut Farm Bureau supports on-farm energy development and the use of agricultural virtual net metering to lower production costs and to provide additional revenue to operating farms. On the other hand we are concerned with the rate at which productive farmland is being converted to large-scale solar projects, often replacing farming operations. At the State Annual Meeting of the CT Farm Bureau in November our voting delegates passed a policy resolution containing the following language. "We do not support the use of economic incentives for the development of solar projects on prime and important farmland." Senate Bill No. 943 seems to strike a balance by allowing for DEEP to consider prime and important agricultural soils in its evaluation of environmental impacts. It also makes a distinction between solar projects to be located on prime agricultural land of less than two megawatts and those greater than two megawatts by designating the larger projects to be presumed not environmentally compatible. This can be rebutted by an applicant if they provide proof that the placement of a larger project on prime agricultural land will not materially affect the status of the land as prime farmland. The provisions of this Bill will allow for smaller projects to be built on prime farmland helping farmers utilize on-farm energy to complement their farming operations and likely protect against the large-scale solar projects consuming large tracts of our most productive farmland.

In support of House Bill No. 5713 AN ACT ESTABLISHING A FARM DISTILLERY PERMIT.

The Connecticut Farm Bureau supports the development and expansion of farm-based distilleries and the production of the ingredients crops. We believe that a Farm Distillery Manufacturer Permit would help farmers diversify into new crops and allow them to vertically integrate their operations. This will provide further opportunity to grow agri-tourism for our farms and help attract economic activity to rural communities. Connecticut's location within two hours of Boston or New York City present significant challenges and increased costs for Connecticut farmers. That same proximity to population represents a significant customer base loaded with opportunity. The success of the farm winery program has proven the concept and we look forward to working with all interested parties to establish acceptable language and program details for a Farm Distillery Permit as well.

In opposition to House Bill No. 6122 AN ACT CONCERNING THE VALUATION AND TAXATION OF FARMLAND.

The Connecticut Farm Bureau opposes this bill because it changes the definition of "farm land" for the purpose of PA 490 by adding the language "excluding any building lot". Public Act 490, enacted in 1963, allows owners of farmland, forestland and open space to be taxed at its "current use" value, rather than its highest and best use. It is considered the single most important land use legislation in the Connecticut General Statutes and has been instrumental in preserving an agricultural, forest, and natural resource base in CT. By adding the proposed language it would materially change the program to trigger a conversion penalty at the time of subdivision and NOT at the time of actual change of use. Some PA 490 landowners go through the subdivision process for a variety of reasons (ie. to be able to convey a building lot or lots to family members who want to

construct residences on the farm or forest land, or others may anticipate needing to sell some land in the future for medical or retirement revenue). Farmers are currently able to rent land that has been subdivided but has not been converted to another use. This is important because nearly half of the land farmed in CT is leased land. Removing the ability for subdivided land to get PA-490 status it would dramatically reduce land available for farmers to rent. In addition if all subdivided land was removed from PA-490 there would be strong incentive to develop the land as quickly as possible and the chance to permanently protect it through conservation easements will be lost forever. The Connecticut Farm Bureau opposes House Bill No. 6122 as we strongly believe that the principal of “current use” should remain in the PA-490 program as it was originally intended.

In support of House Bill No. 7209 AN ACT CONCERNING A FARMLAND PURCHASE PROGRAM FOR BEGINNING FARMERS.

The Connecticut Farm Bureau supports House Bill No. 7209 in principal as it provides assistance for beginning farmers to purchase farmland while also facilitating the permanent protection of additional farmland in the state. The Bill establishes a revolving loan program within the Department of Agriculture to facilitate loans to beginning farmers who meet the criteria set forth in the Bill. This has the potential to ease one of the most significant barriers to entry for beginning farmers- access to land. Although the program seems to have potential we do not wish to see existing farmland preservation funds diverted for the establishment of this program. Instead we support the establishment of the Preservation Loan Fund as proposed in the Bill which would include appropriation by the General Assembly, federal and municipal grants as well as gifts or bequests and loan payments made by borrowers.